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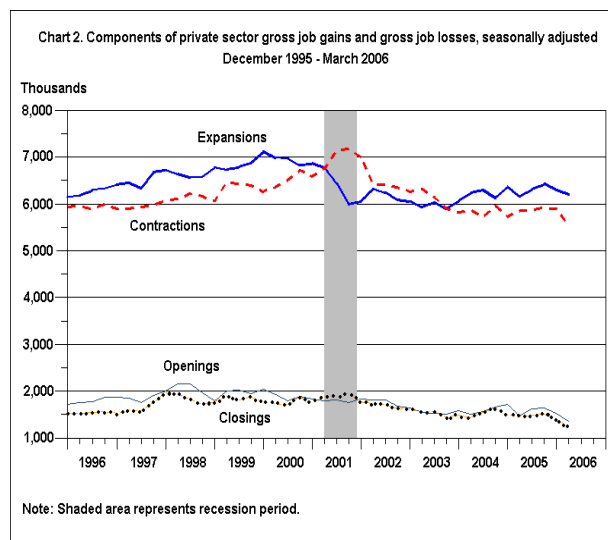
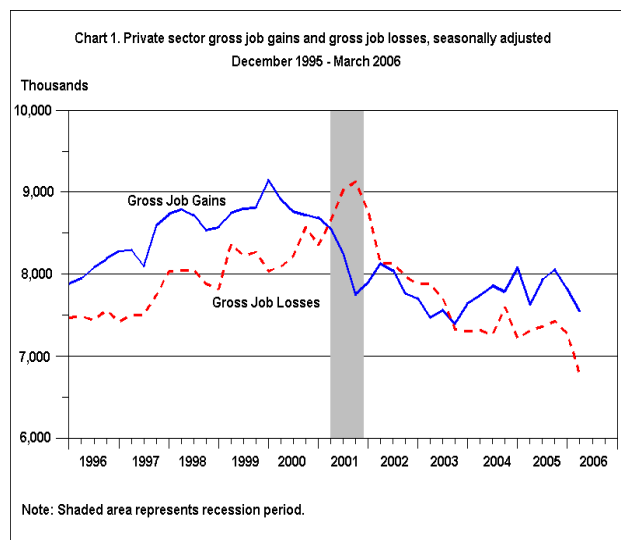
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## BUSINESS EMPLOYMENT DYNAMICS: FIRST QUARTER 2006

From December 2005 to March 2006, the number of job gains from opening and expanding private sector establishments was 7.6 million, and the number of job losses from closing and contracting establishments was 6.8 million, according to data released today by the Bureau of Labor Statistics of the U.S. Department of Labor. Gross job gains exceeded gross job losses in all sectors, except manufacturing, information, and utilities. (See charts 1 and 2 and table 3.) Firms with 20 to 49 employees accounted for 18.9 percent of the net gains in employment, representing the largest contribution to employment growth among all firm size classes. (See tables D and 4.)



The Business Employment Dynamics (BED) data series include gross job gains and gross job losses at the establishment level by major industry sector, as well as, gross job gains and gross job losses at the firm level by employer size class.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. BED statistics track these changes in employment at private business units from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing units and the addition of new jobs at opening units. Gross job losses are the result of contractions in employment at existing units and the loss of jobs at closing units. The difference between the number of gross jobs gained and the number of gross jobs lost is the net change in employment. (See the Technical Note for more information.)

**Table A. Three-month private sector gross job gains and losses, seasonally adjusted**

Category	3 months ended				
	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006
	Levels (in thousands)				
Gross job gains .....	7,635	7,932	8,055	7,818	7,556
At expanding establishments .....	6,171	6,311	6,423	6,293	6,205
At opening establishments .....	1,464	1,621	1,632	1,525	1,351
Gross job losses .....	7,310	7,358	7,427	7,267	6,772
At contracting establishments .....	5,852	5,873	5,915	5,888	5,536
At closing establishments .....	1,458	1,485	1,512	1,379	1,236
Net employment change <sup>1</sup> .....	325	574	628	551	784
	Rates (percent)				
Gross job gains .....	6.9	7.2	7.3	7.1	6.7
At expanding establishments .....	5.6	5.7	5.8	5.7	5.5
At opening establishments .....	1.3	1.5	1.5	1.4	1.2
Gross job losses .....	6.6	6.6	6.8	6.5	6.0
At contracting establishments .....	5.3	5.3	5.4	5.3	4.9
At closing establishments .....	1.3	1.3	1.4	1.2	1.1
Net employment change <sup>1</sup> .....	0.3	0.6	0.5	0.6	0.7

<sup>1</sup> The net employment change is the difference between total gross job gains and total gross job losses. See the Technical Note for further information.

#### Private Sector Establishment-level Gross Job Gains and Job Losses

Opening and expanding private sector business establishments gained 7.6 million jobs in the first quarter of 2006; this represents 262,000 fewer jobs than were gained the previous quarter. Over the first quarter, expanding establishments added 6.2 million jobs, while opening establishments added 1.4 million jobs.

Gross job losses totaled 6.8 million, a decrease of 495,000 from the previous quarter's job loss total. During the quarter, contracting establishments lost 5.5 million jobs, while closing establishments lost 1.2 million jobs. (See tables A, 1, 3, and chart 2.)

The difference between the number of gross jobs gained and the number of gross jobs lost yielded a positive net change in private sector employment of 784,000 jobs for first quarter 2006.

From December 2005 to March 2006, gross job gains represented 6.7 percent of private sector employment, while gross job losses represented 6.0 percent of private sector employment. These gross job gain and loss statistics demonstrate that a sizable number of jobs appear and disappear in the relatively short time frame of one quarter. (See tables A and 2.)

#### Major Industry Sector Gross Job Gains and Gross Job Losses

*Goods-producing.* Expanding and opening establishments in the goods-producing sector accounted for 1,713,000 jobs gained, and contracting and closing establishments accounted for 1,545,000 jobs lost. The net gain of 168,000 jobs in the goods-producing sector was the largest net gain in this sector since the first quarter of 2000. (See tables B and 3.)

*Construction.* In construction, gross job gains over the quarter increased to 910,000 and gross job losses fell to 742,000, resulting in a net gain of 168,000 jobs. This was the eleventh consecutive quarter of

**Table B. Three-month private sector gross job gains and losses by industry, seasonally adjusted**  
(In thousands)

Industry	Gross job gains					Gross job losses				
	3 months ended					3 months ended				
	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006
Total private <sup>1</sup> .....	7,635	7,932	8,055	7,818	7,556	7,310	7,358	7,427	7,267	6,772
Goods-producing .....	1,720	1,713	1,698	1,722	1,713	1,686	1,679	1,663	1,606	1,545
Natural resources and mining .....	307	288	265	279	279	284	285	265	265	275
Construction .....	844	859	868	862	910	806	786	782	774	742
Manufacturing .....	569	566	565	581	524	596	608	616	567	528
Service-providing <sup>1</sup> .....	5,915	6,219	6,357	6,096	5,843	5,624	5,679	5,764	5,661	5,227
Wholesale trade .....	319	337	338	320	311	310	300	311	302	288
Retail trade .....	1,020	1,047	1,074	1,058	1,048	980	989	1,063	1,015	971
Transportation and warehousing .....	243	248	254	268	232	231	262	236	231	228
Utilities .....	15	15	13	14	11	15	18	12	16	11
Information .....	143	155	170	152	139	164	153	154	156	142
Financial activities .....	452	475	480	472	408	443	439	413	434	404
Professional and business services .....	1,370	1,456	1,523	1,432	1,279	1,304	1,332	1,311	1,303	1,169
Education and health services .....	741	800	811	766	771	704	701	691	699	645
Leisure and hospitality .....	1,138	1,212	1,202	1,175	1,194	1,131	1,135	1,219	1,165	1,046
Other services .....	302	309	297	289	293	297	300	309	296	281

<sup>1</sup> Includes unclassified sector, not shown separately.

net job gains in this industry and the largest net gain experienced in this sector since the start of this data series in the third quarter of 1992.

*Manufacturing.* Gross job gains in manufacturing decreased to a level of 524,000 jobs in the first quarter of 2006. The gross job losses of 528,000 were at the lowest level since the start of this data series in the third quarter of 1992. This resulted in a net job loss of 4,000 in manufacturing.

*Service-providing.* In the service-providing sector, gross job gains totaled 5,843,000 and gross job losses totaled 5,227,000 in the first quarter of 2006, resulting in a positive net change of 616,000 jobs.

*Leisure and hospitality.* The leisure and hospitality sector gained 1,194,000 jobs and lost 1,046,000 jobs in the first quarter of 2006, for a net gain of 148,000. This represented the largest net gain in this sector since fourth quarter 1999.

*Information.* Establishments in the information sector reported a net loss of 3,000 jobs in the first quarter of 2006. Gross job losses decreased by 14,000 from the fourth quarter of 2005 to 142,000 in the first quarter of 2006, and gross job gains fell by 13,000 to 139,000 over the quarter.

#### Number of Establishments Gaining and Losing Employment

Another way to look at the dynamics of business activities is to monitor the number and proportion of business units that are growing and declining. The first quarter of 2006 represented the eleventh consecutive quarter where the number of expanding establishments exceeded the number of contracting establishments. Out of 6.7 million active private sector establishments, a total of 1,938,000 establishments gained jobs from December 2005 to March 2006. (See table C.) Of these, 1,585,000 were expanding establishments and

**Table C. Number of private sector establishments by direction of employment change, seasonally adjusted**  
(In thousands)

Category	3 months ended				
	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006
Establishments gaining jobs .....	1,851	1,897	1,924	1,921	1,938
Expanding establishments .....	1,506	1,526	1,549	1,546	1,585
Opening establishments .....	345	371	375	375	353
Establishments losing jobs .....	1,851	1,836	1,825	1,849	1,839
Contracting establishments .....	1,504	1,496	1,486	1,520	1,498
Closing establishments .....	347	340	339	329	341
Net establishment change <sup>1</sup> .....	-2	31	36	46	12

<sup>1</sup> The net establishment change is the difference between the number of opening establishments and the number of closing establishments. See the Technical Note for further information.

353,000 were opening establishments. During the quarter, 1,498,000 establishments contracted and 341,000 establishments closed, resulting in 1,839,000 establishments losing jobs. Overall, the number of active private sector establishments increased by 12,000 during the quarter. This change is the difference between the number of opening establishments and the number of closing establishments.

#### Firm-level Gross Job Gains and Gross Job Losses by Size Class

From December 2005 to March 2006, firms with 20 to 49 employees accounted for 18.9 percent of the net gains in employment, representing the largest contribution to employment growth among all firm size classes. Firms with 1 to 4 employees had the smallest contribution to the total net change in employment from December 2005 to March 2006 (5.8 percent), a decrease from the previous quarter's contribution of 14.8 percent. (See tables D and 4 and charts 3 and 4.)

In the first quarter of 2006, firms with 500 or more employees represented 17.5 percent of the total net change in employment, 19.7 percent of gross job gains, and 20.0 percent of gross job losses. This group's share of net employment growth fell from the previous quarter, when these firms accounted for 61.5 percent of the total net change in employment. (See table D.) Historically, from September 1992 through March 2006, firms with greater than 500 employees have accounted, on average, for 34.7 percent of quarterly net employment growth. (See table E.)

Firms with 1 to 4 employees continued to have the largest shares of both job gains at opening firms and job losses at closing firms in the first quarter of 2006. The share of job gains at opening firms for this size class decreased to 59.4 percent, while the share of job losses at closing firms increased to 60.0 percent. (See table 4.)

**Table D. Three-month private sector percentage share <sup>1</sup> of net change, gross job gains, and gross job losses by firm size class, seasonally adjusted**  
(Percent)

Firm size class	Share of net change					Share of gross job gains					Share of gross job losses				
	3 months ended					3 months ended					3 months ended				
	Mar. 2006	June 2005	Sept. 2005	Dec. 2005	Mar. 2006	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006
1 - 4 employees .....	2.7	9.7	10.4	14.8	5.8	15.5	15.2	15.1	15.5	15.7	16.1	15.7	15.6	15.6	17.0
5 - 9 employees .....	2.3	5.8	6.7	2.7	6.8	12.1	11.9	11.7	11.7	12.3	12.6	12.5	12.3	12.6	13.0
10 - 19 employees .....	5.0	9.9	6.8	3.7	10.2	12.3	12.2	11.9	12.0	12.7	12.7	12.4	12.4	12.8	13.0
20 - 49 employees .....	11.1	17.8	8.3	5.8	18.9	14.4	14.5	13.9	13.9	14.9	14.5	14.2	14.5	14.7	14.4
50 - 99 employees .....	10.4	14.8	5.4	4.2	13.8	8.9	9.1	8.7	8.7	9.3	8.8	8.6	9.0	9.1	8.7
100 - 249 employees .....	17.1	16.8	6.5	3.9	16.6	9.5	9.8	9.3	9.1	9.7	9.1	9.2	9.6	9.6	8.8
250 - 499 employees .....	12.1	10.9	7.7	3.4	10.4	5.7	5.9	5.8	5.5	5.7	5.5	5.4	5.6	5.7	5.1
500 - 999 employees .....	7.4	8.1	8.3	2.1	9.6	4.6	4.9	4.8	4.5	4.5	4.5	4.6	4.4	4.7	3.9
1,000 or more employees ...	31.9	6.2	39.8	59.4	7.9	17.0	16.5	19.0	19.1	15.2	16.2	17.4	16.7	15.2	16.1
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

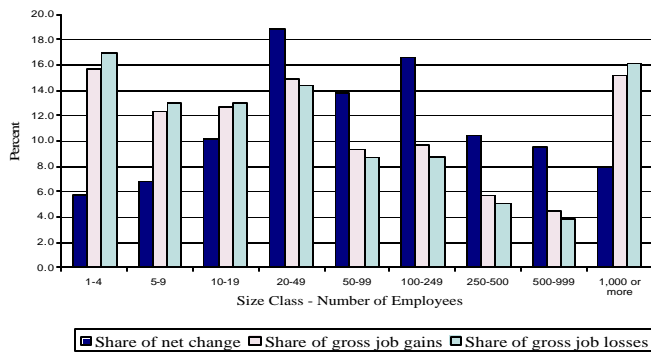
<sup>1</sup> Share measures the percent of the category represented by each firm size class.

**Table E. Average percentage share<sup>1</sup> of gross job gains and gross job losses by firm size, third quarter 1992–first quarter 2006, seasonally adjusted**  
(Percent)

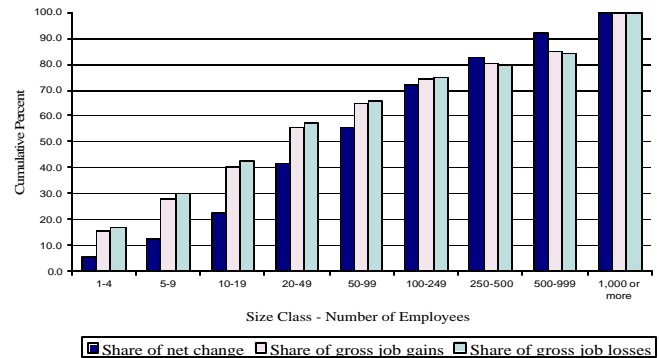
Category	Firm size class (number of employees)									
	Total	1 - 4	5 - 9	10 - 19	20 - 49	50 - 99	100 - 249	250 - 499	500 - 999	1,000 or more
Gross job gains .....	100.0	14.3	11.5	11.9	14.3	9.1	9.8	5.9	4.9	18.3
Expanding firms .....	100.0	7.0	10.6	12.0	15.2	10.0	11.1	6.8	5.6	21.7
Opening firms .....	100.0	52.0	16.0	11.6	9.8	4.2	3.1	1.3	.8	1.2
Gross job losses .....	100.0	14.6	11.9	12.2	14.4	9.1	9.6	5.8	4.8	17.6
Contracting firms .....	100.0	7.5	11.1	12.3	15.3	9.9	10.8	6.7	5.5	20.9
Closing firms .....	100.0	49.4	15.5	11.7	10.2	4.8	3.9	1.8	1.2	1.5
Net change .....	100.0	9.8	6.6	8.2	12.3	9.4	11.6	7.4	6.1	28.6
Cumulative share of net change .....		9.8	16.4	24.6	36.9	46.3	57.9	65.3	71.4	100.0

<sup>1</sup> Share measures the percent of the category represented by each firm size class.

**Chart 3. Share of total quarterly gross job gains, gross job losses, and net employment change by firm size, December 2005 to March 2006, seasonally adjusted**



**Chart 4. Cumulative share of total quarterly gross job gains, gross job losses, and net employment change by firm size, December 2005 to March 2006, seasonally adjusted**



### More Information

Additional information on gross job gains and gross job losses are available at the Business Employment Dynamics Web page on the BLS Web site at <http://www.bls.gov/bdm>. This information includes data on the levels and rates of gross job gains and gross job losses by firm size class, the not seasonally adjusted data and other seasonally adjusted time series not presented in this release, charts of gross job gains and gross job losses by industry and size class, and frequently asked questions on size-class data. Additional information about the Business Employment Dynamics data can be found in the Technical Note of this release or may be obtained by e-mailing [BDMinfo@bls.gov](mailto:BDMinfo@bls.gov).

### Comparing Business Employment Dynamics Data with Current Employment Statistics and Quarterly Census of Employment and Wages Data

The net change in employment from Business Employment Dynamics (BED) data series will not match the net change in employment from the monthly Current Employment Statistics (CES) survey. The CES estimates are based on monthly surveys from a sample of establishments, while gross job gains and gross job losses are based on a quarterly census of administrative records. In addition, the CES has a different coverage, excluding the agriculture sector but including establishments not covered by the unemployment insurance program. The net over-the-quarter changes derived by aggregating component series in the BED data may be different from the net employment change estimated from the CES seasonally adjusted total employment series. The intended use of the BED statistics is to show the dynamic labor market flows that underlie the net changes in aggregate employment levels; data users who want to track net changes in aggregate employment levels over time should refer to CES data.

BED data have a more limited scope than the Quarterly Census of Employment and Wages (QCEW) data. The data in this release, in contrast to the QCEW data, exclude government employees, private households (NAICS 814110), and establishments with zero employment.

See the Technical Note for further information.

# Technical Note

The Business Employment Dynamics (BED) data are a product of a federal-state cooperative program known as Quarterly Census of Employment and Wages (QCEW), or the ES-202 program. The BED data are compiled by the U.S. Bureau of Labor Statistics (BLS) from existing quarterly state unemployment insurance (UI) records. Most employers in the U.S. are required to file quarterly reports on the employment and wages of workers covered by UI laws, and to pay quarterly UI taxes. The quarterly UI reports are sent by the State Workforce Agencies (SWAs) to BLS and form the basis of the Bureau's establishment universe sampling frame. These reports also are used to produce the quarterly QCEW data on total employment and wages and the longitudinal BED data on gross job gains and losses. Other important BLS uses of the UI reports are in the Current Employment Statistics (CES)

program. (See table below for differences between QCEW, CES, and BED.)

In the BED program, the quarterly UI records are linked across quarters to provide a longitudinal history for each establishment. The linkage process allows the tracking of net employment changes at the establishment level, which in turn allows the estimation of jobs gained at opening and expanding establishments and jobs lost at closing and contracting establishments.

## Differences between QCEW, BED, and CES employment measures

The BLS publishes three different establishment-based employment measures for any given quarter. Each of these measures—QCEW, BED, and CES—makes use of the quarterly

**Summary of Major Differences between QCEW, BED, and CES Employment Measures**

	QCEW	BED	CES
<b>Source</b>	<ul style="list-style-type: none"> <li>Count of UI administrative records submitted by 8.8 million establishments</li> </ul>	<ul style="list-style-type: none"> <li>Count of longitudinally-linked UI administrative records submitted by 6.7 million private sector employers</li> </ul>	<ul style="list-style-type: none"> <li>Sample survey: 400,000 establishments</li> </ul>
<b>Coverage</b>	<ul style="list-style-type: none"> <li>UI and UCFE coverage, including all employers subject to state and federal UI laws</li> </ul>	<ul style="list-style-type: none"> <li>UI coverage, excluding government, private households, and establishments with zero employment</li> </ul>	<p>Nonfarm wage and salary jobs:</p> <ul style="list-style-type: none"> <li>UI coverage, excluding agriculture, private households, and self-employed workers</li> <li>Other employment, including railroads, religious organizations, and other non-UI-covered jobs</li> </ul>
<b>Publication frequency</b>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>- 7 months after the end of each quarter</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>- 8 months after the end of each quarter</li> </ul>	<ul style="list-style-type: none"> <li>Monthly</li> <li>- Usually first Friday of following month</li> </ul>
<b>Use of UI file</b>	<ul style="list-style-type: none"> <li>Directly summarizes and publishes each new quarter of UI data</li> </ul>	<ul style="list-style-type: none"> <li>Links each new UI quarter to longitudinal database and directly summarizes gross job gains and losses</li> </ul>	<ul style="list-style-type: none"> <li>Uses UI file as a sampling frame and annually realigns (benchmarks) sample estimates to first quarter UI levels</li> </ul>
<b>Principal products</b>	<ul style="list-style-type: none"> <li>Provides a quarterly and annual universe count of establishments, employment, and wages at the county, MSA, state, and national levels by detailed industry</li> </ul>	<ul style="list-style-type: none"> <li>Provides quarterly employer dynamics data on establishment openings, closings, expansions, and contractions at the national level by NAICS supersectors and by size of firm</li> <li>Future expansions will include data at the county, MSA, and state level</li> </ul>	<ul style="list-style-type: none"> <li>Provides current monthly estimates of employment, hours, and earnings at the MSA, state, and national level by industry</li> </ul>
<b>Principal uses</b>	<ul style="list-style-type: none"> <li>Major uses include: <ul style="list-style-type: none"> <li>Detailed locality data</li> <li>Periodic universe counts for benchmarking sample survey estimates</li> <li>Sample frame for BLS establishment surveys</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Major uses include: <ul style="list-style-type: none"> <li>Business cycle analysis</li> <li>Analysis of employer dynamics underlying economic expansions and contractions</li> <li>An analysis of employment expansion and contractions by size of firm</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Major uses include: <ul style="list-style-type: none"> <li>Principal national economic indicator</li> <li>Official time series for employment change measures</li> <li>Input into other major economic indicators</li> </ul> </li> </ul>
<b>Program Web sites</b>	<ul style="list-style-type: none"> <li><a href="http://www.bls.gov/cew/">www.bls.gov/cew/</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="http://www.bls.gov/bdm/">www.bls.gov/bdm/</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="http://www.bls.gov/ces/">www.bls.gov/ces/</a></li> </ul>

UI employment reports in producing data; however, each measure has a somewhat different universe coverage, estimation procedure, and publication product.

Differences in coverage and estimation methods can result in somewhat different measures of over-the-quarter employment change. It is important to understand program differences and the intended uses of the program products. (See table on previous page.) Additional information on each program can be obtained from the program Web sites shown in the table.

Coverage

Employment and wage data for workers covered by state UI and Unemployment Compensation for Federal Employees (UCFE) laws are compiled from quarterly contribution reports submitted to the SWAs by employers. In addition to the quarterly contribution reports, employers who operate multiple establishments within a state complete a questionnaire, called the “Multiple Worksite Report,” which provides detailed information on the location of their establishments. These reports are based on place of employment rather than place of residence. UI and UCFE coverage is broad and basically comparable from state to state.

Major exclusions from UI coverage are self-employed workers, religious organizations, most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, and employees of certain small nonprofit organizations.

Gross job gains and gross job losses in this release are derived from longitudinal histories of over 6.7 million private sector employer reports out of 8.8 million total reports of employment and wages submitted by states to BLS in the first quarter of 2006. Gross job gains and gross job losses data in this release do not report estimates for government employees or private households (NAICS 814110), and do not include establishments with zero employment over three quarters. Data from Puerto Rico and the Virgin Islands also are excluded from the national data. As an illustration, the table below shows, in millions of establishments, the number of establishments excluded from the gross job gains and gross job losses data in the first quarter of 2006:

Number of active establishments included in Business Employment Dynamics data	
	Millions
Total establishments QCEW program .....	8.8
Excluded: Public sector .....	0.3
Private households .....	0.6
Zero employment .....	1.1
Establishments in Puerto Rico and the Virgin Islands .....	0.1
Total establishments included in Business Employment Dynamics data .....	6.7

Unit of analysis

*Establishments* are used in the tabulation of the BED statistics by industry and *firms* are used in the tabulation of the BED size-class statistics. An establishment is defined as an economic unit that produces goods or services, usually at a single physical location, and engages in one or predominantly one activity. A firm is a legal business, either corporate or otherwise, and may consist of several establishments. Firm-level data are compiled based on an aggregation of establishments under common ownership by a corporate parent using employer tax identification numbers. The firm-level aggregation, which is consistent with the role of corporations as the economic decision makers, is used for the measurement of the BED data elements by size class.

Because of the difference in the unit of analysis, total gross job gains and gross job losses by size class are lower than total gross job gains and gross job losses by industry, as some establishment gains and losses within a firm are offset during the aggregation process. However, the total net changes in employment are the same for not seasonally adjusted data and are similar for seasonally adjusted data.

Concepts and methodology

The Business Employment Dynamics data measure the net change in employment at the establishment or firm level. These changes come about in one of four ways. A net increase in employment can come from either *opening units* or *expanding units*. A net decrease in employment can come from either *closing units* or *contracting units*. *Gross job gains* include the sum of all jobs added at either opening or expanding units. *Gross job losses* include the sum of all jobs lost in either closing or contracting units. The net change in employment is the difference between gross job gains and gross job losses.

The formal definitions of employment changes are as follows:

*Openings.* These are either units with positive third-month employment for the first time in the current quarter, with no links to the prior quarter, or with positive third-month employment in the current quarter following zero employment in the previous quarter.

*Expansions.* These are units with positive employment in the third month in both the previous and current quarters, with a net increase in employment over this period.

*Closings.* These are units with positive third-month employment in the previous quarter, with no employment or zero employment reported in the current quarter.

*Contractions.* These are units with positive employment in the third month in both the previous and current quarters, with a net decrease in employment over this period.

All establishment-level employment changes are measured from the third month of each quarter. Not all establishments and firms change their employment levels. Units with no change in employment count towards estimates of total employment, but not for levels of gross job gains and gross job losses.



Gross job gains and gross job losses are expressed as rates by dividing their levels by the average of employment in the current and previous quarters. This provides a symmetric growth rate. The rates are calculated for the components of gross job gains and gross job losses and then summed to form their respective totals. These rates can be added and subtracted just as their levels can. For instance, the difference between the gross job gains rate and the gross job losses rate is the net growth rate.

### **Linkage methodology**

Prior to the measurement of gross job gains and gross job losses, QCEW records are linked across two quarters. The linkage process matches establishments' unique SWA identification numbers (SWA-ID). Between 95 to 97 percent of establishments identified as continuous from quarter to quarter are matched by SWA-ID. The rest are linked in one of three ways. The first method uses predecessor and successor information, identified by the states, which relates records with different SWA-IDs across quarters. Predecessor and successor relations can come about for a variety of reasons, including a change in ownership, a firm restructuring, or a UI account restructuring. If a match cannot be attained in this manner, a probability-based match is used. This match attempts to identify two establishments with different SWA-IDs as continuous. The match is based upon comparisons such as the same name, address, and phone number. Third, an analyst examines unmatched records individually and makes a possible match.

In order to ensure the highest possible quality of data, SWAs verify with employers and update, if necessary, the industry, location, and ownership classification of all establishments on a 3-year cycle. Changes in establishment classification codes resulting from the verification process are introduced with the data reported for the first quarter of the year. Changes resulting from improved employer reporting also are introduced in the first quarter.

### **Sizing methodology**

The method of dynamic sizing is used in calculations for the BED size-class data series. Dynamic sizing allocates each firm's employment gain or loss during a quarter to each respective size class in which the change occurred. For example, if a firm grew from 2 employees in quarter 1 to 38 employees in quarter 2, then, of the 36-employee increase, 2 would be allocated to the first size class, 5 to the size class 5 to 9, 10 to size class 10 to 19, and 19 to size class 20 to 49.

Dynamic sizing provides symmetrical firm-size estimates and eliminates any systematic effects which may be caused by the transitory and reverting changes in firms' sizes over time. Additionally, it allocates each job gain or loss to the actual size class where it occurred.

### **Seasonal adjustment**

Over the course of a year, the levels of employment and the associated job flows undergo sharp fluctuations due to such seasonal events as changes in the weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. The effect of such seasonal variation can be very large.

Because these seasonal events follow a more or less regular pattern each year, their influence can be eliminated by adjusting these statistics from quarter to quarter. These adjustments make nonseasonal developments, such as declines in economic activity, easier to recognize. For example, the large number of youths taking summer jobs is likely to obscure other changes that have taken place in June relative to March, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. The adjusted figures provide a more useful tool with which to analyze changes in economic activity.

The employment data series for opening, expanding, closing, and contracting units are independently seasonally adjusted; net changes are calculated based on the difference between gross job gains and gross job losses. Similarly, for industry data, the establishment counts data series for opening, expanding, closing, and contracting establishments are independently adjusted, and the net changes are calculated based on the difference between the number of opening and closing establishments. Additionally, establishment and employment levels are independently seasonally adjusted to calculate the seasonally adjusted rates. Concurrent seasonal adjustment is run using X-12 ARIMA. Seasonally adjusted data series for the total private sector are calculated by summing the seasonally adjusted data for all sectors, including the unclassified sector, which is not published separately.

The net over-the-quarter change derived by summing the BED component series will differ from the net employment change estimated from the seasonally adjusted total private employment series from the CES program. The intended use of BED statistics is to show the dynamic labor market changes that underlie the net employment change statistic. As such, data users interested particularly in the net employment change and not in the gross job flows underlying this change should refer to CES data for over-the-quarter net employment changes.

### **Reliability of the data**

Since the data series on Business Employment Dynamics are based on administrative rather than sample data, there are no issues related to sampling error. Nonsampling error, however, still exists. Nonsampling errors can occur for many

reasons, such as the employer submitting corrected employment data after the end of the quarter or typographical errors made by businesses when providing information. Such errors, however, are likely to be distributed randomly throughout the dataset.

Changes in administrative data sometimes create complications for the linkage process. This can result in overstating openings and closings while understating expansions and contractions. The BLS continues to refine methods for improving the linkage process to alleviate the effects of these complications.

The BED data series are subject to periodic minor changes based on corrections in QCEW records, updates on predecessors and successors information, and seasonal adjustment revisions.

### **Additional statistics and other information**

Several other programs within BLS produce closely related information. The QCEW program, also known as the ES-202

program, provides both quarterly and annual estimates of employment by state, county, and detailed industry. News releases on quarterly county employment and wages are available upon request from the Division of Administrative Statistics and Labor Turnover, Bureau of Labor Statistics, U.S. Department of Labor, Washington, DC 20212; telephone 202-691-6567; (<http://www.bls.gov/cew/>); (e-mail: [QCEWInfo@bls.gov](mailto:QCEWInfo@bls.gov)).

The CES program produces monthly estimates of employment, its net change, and earnings by detailed industry. These estimates are part of the Employment Situation report put out monthly by BLS.

The Job Openings and Labor Turnover Survey (JOLTS) program provides monthly measures of job openings, as well as employee hires and separations.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral number: 1-800-877-8339.

**Table 1. Private sector gross job gains and job losses, seasonally adjusted**  
(In thousands)

Year	3 months ended	Net change <sup>1</sup>	Gross job gains			Gross job losses		
			Total	Expanding establishments	Opening establishments	Total	Contracting establishments	Closing establishments
1992	September	455	7,377	5,632	1,745	6,922	5,351	1,571
	December	216	7,101	5,465	1,636	6,885	5,487	1,398
1993	March	313	7,309	5,410	1,899	6,996	5,354	1,642
	June	786	7,330	5,794	1,536	6,544	5,136	1,408
	September	874	7,523	5,881	1,642	6,649	5,316	1,333
	December	641	7,436	5,840	1,596	6,795	5,420	1,375
1994	March	517	7,400	5,807	1,593	6,883	5,435	1,448
	June	1,021	7,807	6,060	1,747	6,786	5,295	1,491
	September	1,175	7,972	6,227	1,745	6,797	5,493	1,304
	December	507	7,630	5,998	1,632	7,123	5,647	1,476
1995	March	746	7,782	6,129	1,653	7,036	5,660	1,376
	June	402	7,714	6,017	1,697	7,312	5,839	1,473
	September	771	7,970	6,291	1,679	7,199	5,680	1,519
	December	407	7,877	6,153	1,724	7,470	5,934	1,536
1996	March	460	7,943	6,190	1,753	7,483	5,957	1,526
	June	642	8,080	6,302	1,778	7,438	5,894	1,544
	September	632	8,189	6,326	1,863	7,557	5,998	1,559
	December	861	8,278	6,409	1,869	7,417	5,889	1,528
1997	March	799	8,292	6,448	1,844	7,493	5,900	1,593
	June	594	8,098	6,342	1,756	7,504	5,925	1,579
	September	854	8,593	6,680	1,913	7,739	5,981	1,758
	December	702	8,731	6,727	2,004	8,029	6,068	1,961
1998	March	747	8,788	6,633	2,155	8,041	6,107	1,934
	June	666	8,722	6,569	2,153	8,056	6,218	1,838
	September	659	8,539	6,574	1,965	7,880	6,161	1,719
	December	759	8,576	6,778	1,798	7,817	6,060	1,757
1999	March	380	8,744	6,733	2,011	8,364	6,466	1,898
	June	569	8,800	6,788	2,012	8,231	6,419	1,812
	September	548	8,817	6,871	1,946	8,269	6,397	1,872
	December	1,105	9,144	7,112	2,032	8,039	6,264	1,775
2000	March	818	8,906	6,988	1,918	8,088	6,361	1,727
	June	541	8,764	6,975	1,789	8,223	6,509	1,714
	September	146	8,724	6,834	1,890	8,578	6,719	1,859
	December	336	8,690	6,862	1,828	8,354	6,582	1,772
2001	March	-101	8,555	6,768	1,787	8,656	6,756	1,900
	June	-771	8,254	6,439	1,815	9,025	7,149	1,876
	September	-1,380	7,749	5,990	1,759	9,129	7,174	1,955
	December	-871	7,893	6,055	1,838	8,764	6,995	1,769
2002	March	-1	8,128	6,324	1,804	8,129	6,400	1,729
	June	-80	8,050	6,246	1,804	8,130	6,411	1,719
	September	-211	7,763	6,083	1,680	7,974	6,345	1,629
	December	-175	7,702	6,059	1,643	7,877	6,267	1,610
2003	March	-404	7,472	5,932	1,540	7,876	6,321	1,555
	June	-142	7,560	6,033	1,527	7,702	6,138	1,564
	September	72	7,396	5,897	1,499	7,324	5,893	1,431
	December	344	7,646	6,063	1,583	7,302	5,816	1,486
2004	March	435	7,745	6,231	1,514	7,310	5,871	1,439
	June	594	7,857	6,292	1,565	7,263	5,726	1,537
	September	191	7,789	6,123	1,666	7,598	5,953	1,645
	December	869	8,081	6,365	1,716	7,212	5,727	1,485
2005	March	325	7,635	6,171	1,464	7,310	5,852	1,458
	June	574	7,932	6,311	1,621	7,358	5,873	1,485
	September	628	8,055	6,423	1,632	7,427	5,915	1,512
	December	551	7,818	6,293	1,525	7,267	5,888	1,379
2006	March	784	7,556	6,205	1,351	6,772	5,536	1,236

<sup>1</sup> Net change is the difference between total gross job gains and total gross job losses.

**Table 2. Private sector gross job gains and losses, as a percent of employment<sup>1</sup>, seasonally adjusted**  
(Percent)

Year	3 months ended	Net change <sup>2</sup>	Gross job gains			Gross job losses		
			Total	Expanding establishments	Opening establishments	Total	Contracting establishments	Closing establishments
1992	September	0.5	8.3	6.3	2.0	7.8	6.0	1.8
	December	0.2	7.9	6.1	1.8	7.7	6.1	1.6
1993	March	0.3	8.1	6.0	2.1	7.8	6.0	1.8
	June	0.8	8.1	6.4	1.7	7.3	5.7	1.6
	September	0.9	8.2	6.4	1.8	7.3	5.8	1.5
	December	0.6	8.0	6.3	1.7	7.4	5.9	1.5
1994	March	0.5	8.0	6.3	1.7	7.5	5.9	1.6
	June	1.1	8.4	6.5	1.9	7.3	5.7	1.6
	September	1.2	8.4	6.6	1.8	7.2	5.8	1.4
	December	0.6	8.0	6.3	1.7	7.4	5.9	1.5
1995	March	0.8	8.1	6.4	1.7	7.3	5.9	1.4
	June	0.5	8.0	6.2	1.8	7.5	6.0	1.5
	September	0.8	8.2	6.5	1.7	7.4	5.8	1.6
	December	0.4	8.1	6.3	1.8	7.7	6.1	1.6
1996	March	0.4	8.1	6.3	1.8	7.7	6.1	1.6
	June	0.6	8.2	6.4	1.8	7.6	6.0	1.6
	September	0.7	8.3	6.4	1.9	7.6	6.0	1.6
	December	0.9	8.3	6.4	1.9	7.4	5.9	1.5
1997	March	0.7	8.2	6.4	1.8	7.5	5.9	1.6
	June	0.5	7.9	6.2	1.7	7.4	5.8	1.6
	September	0.8	8.4	6.5	1.9	7.6	5.9	1.7
	December	0.6	8.4	6.5	1.9	7.8	5.9	1.9
1998	March	0.7	8.5	6.4	2.1	7.8	5.9	1.9
	June	0.6	8.4	6.3	2.1	7.8	6.0	1.8
	September	0.7	8.2	6.3	1.9	7.5	5.9	1.6
	December	0.7	8.1	6.4	1.7	7.4	5.7	1.7
1999	March	0.3	8.2	6.3	1.9	7.9	6.1	1.8
	June	0.6	8.3	6.4	1.9	7.7	6.0	1.7
	September	0.5	8.2	6.4	1.8	7.7	6.0	1.7
	December	1.1	8.5	6.6	1.9	7.4	5.8	1.6
2000	March	0.8	8.2	6.4	1.8	7.4	5.8	1.6
	June	0.4	7.9	6.3	1.6	7.5	5.9	1.6
	September	0.1	7.9	6.2	1.7	7.8	6.1	1.7
	December	0.3	7.9	6.2	1.7	7.6	6.0	1.6
2001	March	-0.1	7.7	6.1	1.6	7.8	6.1	1.7
	June	-0.8	7.4	5.8	1.6	8.2	6.5	1.7
	September	-1.3	7.1	5.5	1.6	8.4	6.6	1.8
	December	-0.8	7.3	5.6	1.7	8.1	6.5	1.6
2002	March	0.1	7.6	5.9	1.7	7.5	5.9	1.6
	June	-0.1	7.5	5.8	1.7	7.6	6.0	1.6
	September	-0.1	7.3	5.7	1.6	7.4	5.9	1.5
	December	-0.2	7.1	5.6	1.5	7.3	5.8	1.5
2003	March	-0.5	6.9	5.5	1.4	7.4	5.9	1.5
	June	-0.2	7.0	5.6	1.4	7.2	5.7	1.5
	September	0.1	6.9	5.5	1.4	6.8	5.5	1.3
	December	0.4	7.2	5.7	1.5	6.8	5.4	1.4
2004	March	0.4	7.2	5.8	1.4	6.8	5.5	1.3
	June	0.5	7.2	5.8	1.4	6.7	5.3	1.4
	September	0.2	7.2	5.7	1.5	7.0	5.5	1.5
	December	0.7	7.4	5.8	1.6	6.7	5.3	1.4
2005	March	0.3	6.9	5.6	1.3	6.6	5.3	1.3
	June	0.6	7.2	5.7	1.5	6.6	5.3	1.3
	September	0.5	7.3	5.8	1.5	6.8	5.4	1.4
	December	0.6	7.1	5.7	1.4	6.5	5.3	1.2
2006	March	0.7	6.7	5.5	1.2	6.0	4.9	1.1

<sup>1</sup> The rates measure gross job gains and gross job losses as a percentage of the average of the previous and current employment.

<sup>2</sup> See footnote 1, table 1.

**Table 3. Private sector gross job gains and losses by industry, seasonally adjusted**

Category	Gross job gains and job losses (in thousands)					Gross job gains and losses as a percent of employment				
	3 months ended					3 months ended				
	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006
<b>Total private <sup>1</sup></b>										
Gross job gains	7,635	7,932	8,055	7,818	7,556	6.9	7.2	7.3	7.1	6.7
At expanding establishments	6,171	6,311	6,423	6,293	6,205	5.6	5.7	5.8	5.7	5.5
At opening establishments	1,464	1,621	1,632	1,525	1,351	1.3	1.5	1.5	1.4	1.2
Gross job losses	7,310	7,358	7,427	7,267	6,772	6.6	6.6	6.8	6.5	6.0
At contracting establishments	5,852	5,873	5,915	5,888	5,536	5.3	5.3	5.4	5.3	4.9
At closing establishments	1,458	1,485	1,512	1,379	1,236	1.3	1.3	1.4	1.2	1.1
Net employment change	325	574	628	551	784	0.3	0.6	0.5	0.6	0.7
<b>Goods-producing</b>										
Gross job gains	1,720	1,713	1,698	1,722	1,713	7.5	7.4	7.4	7.4	7.2
At expanding establishments	1,454	1,445	1,427	1,463	1,466	6.3	6.2	6.2	6.3	6.2
At opening establishments	266	268	271	259	247	1.2	1.2	1.2	1.1	1.0
Gross job losses	1,686	1,679	1,663	1,606	1,545	7.3	7.3	7.2	6.8	6.5
At contracting establishments	1,371	1,381	1,371	1,338	1,302	5.9	6.0	5.9	5.7	5.5
At closing establishments	315	298	292	268	243	1.4	1.3	1.3	1.1	1.0
Net employment change	34	34	35	116	168	0.2	0.1	0.2	0.6	0.7
<b>Natural resources and mining</b>										
Gross job gains	307	288	265	279	279	17.8	16.7	15.5	16.1	15.7
At expanding establishments	258	247	224	238	240	15.0	14.3	13.1	13.7	13.5
At opening establishments	49	41	41	41	39	2.8	2.4	2.4	2.4	2.2
Gross job losses	284	285	265	265	275	16.5	16.5	15.5	15.2	15.6
At contracting establishments	233	243	224	226	235	13.5	14.1	13.1	13.0	13.3
At closing establishments	51	42	41	39	40	3.0	2.4	2.4	2.2	2.3
Net employment change	23	3	0	14	4	1.3	0.2	0.0	0.9	0.1
<b>Construction</b>										
Gross job gains	844	859	868	862	910	11.8	11.9	11.9	11.6	11.9
At expanding establishments	678	692	699	699	747	9.5	9.6	9.6	9.4	9.8
At opening establishments	166	167	169	163	163	2.3	2.3	2.3	2.2	2.1
Gross job losses	806	786	782	774	742	11.3	10.9	10.7	10.5	9.7
At contracting establishments	642	617	614	618	596	9.0	8.6	8.4	8.4	7.8
At closing establishments	164	169	168	156	146	2.3	2.3	2.3	2.1	1.9
Net employment change	38	73	86	88	168	0.5	1.0	1.2	1.1	2.2
<b>Manufacturing</b>										
Gross job gains	569	566	565	581	524	4.0	4.0	4.0	4.1	3.7
At expanding establishments	518	506	504	526	479	3.6	3.6	3.6	3.7	3.4
At opening establishments	51	60	61	55	45	0.4	0.4	0.4	0.4	0.3
Gross job losses	596	608	616	567	528	4.2	4.3	4.4	4.0	3.7
At contracting establishments	496	521	533	494	471	3.5	3.7	3.8	3.5	3.3
At closing establishments	100	87	83	73	57	0.7	0.6	0.6	0.5	0.4
Net employment change	-27	-42	-51	14	-4	-0.2	-0.3	-0.4	0.1	0.0
<b>Service-providing <sup>1</sup></b>										
Gross job gains	5,915	6,219	6,357	6,096	5,843	6.9	7.2	7.3	6.9	6.6
At expanding establishments	4,717	4,866	4,996	4,830	4,739	5.5	5.6	5.7	5.5	5.4
At opening establishments	1,198	1,353	1,361	1,266	1,104	1.4	1.6	1.6	1.4	1.2
Gross job losses	5,624	5,679	5,764	5,661	5,227	6.5	6.6	6.6	6.5	5.9
At contracting establishments	4,481	4,492	4,544	4,550	4,234	5.2	5.2	5.2	5.2	4.8
At closing establishments	1,143	1,187	1,220	1,111	993	1.3	1.4	1.4	1.3	1.1
Net employment change	291	540	593	435	616	0.4	0.6	0.7	0.4	0.7
<b>Wholesale trade</b>										
Gross job gains	319	337	338	320	311	5.6	5.9	5.8	5.5	5.3
At expanding establishments	259	271	272	263	262	4.5	4.7	4.7	4.5	4.5
At opening establishments	60	66	66	57	49	1.1	1.2	1.1	1.0	0.8
Gross job losses	310	300	311	302	288	5.5	5.3	5.4	5.2	4.9
At contracting establishments	238	228	241	234	223	4.2	4.0	4.2	4.0	3.8
At closing establishments	72	72	70	68	65	1.3	1.3	1.2	1.2	1.1
Net employment change	9	37	27	18	23	0.1	0.6	0.4	0.3	0.4

See footnote at end of table.

**Table 3. Private sector gross job gains and losses by industry, seasonally adjusted—Continued**

Category	Gross job gains and job losses (in thousands)					Gross job gains and losses as a percent of employment				
	3 months ended					3 months ended				
	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006
<b>Retail trade</b>										
Gross job gains	1,020	1,047	1,074	1,058	1,048	6.7	6.8	7.0	6.9	6.8
At expanding establishments	865	876	895	884	905	5.7	5.7	5.8	5.8	5.9
At opening establishments	155	171	179	174	143	1.0	1.1	1.2	1.1	0.9
Gross job losses	980	989	1,063	1,015	971	6.4	6.5	6.9	6.6	6.3
At contracting establishments	836	841	888	865	828	5.5	5.5	5.8	5.6	5.4
At closing establishments	144	148	175	150	143	0.9	1.0	1.1	1.0	0.9
Net employment change	40	58	11	43	77	0.3	0.3	0.1	0.3	0.5
<b>Transportation and warehousing</b>										
Gross job gains	243	248	254	268	232	5.9	6.0	6.2	6.4	5.5
At expanding establishments	205	203	218	226	201	5.0	4.9	5.3	5.4	4.8
At opening establishments	38	45	36	42	31	0.9	1.1	0.9	1.0	0.7
Gross job losses	231	262	236	231	228	5.6	6.4	5.8	5.5	5.4
At contracting establishments	180	212	188	188	194	4.4	5.2	4.6	4.5	4.6
At closing establishments	51	50	48	43	34	1.2	1.2	1.2	1.0	0.8
Net employment change	12	-14	18	37	4	0.3	-0.4	0.4	0.9	0.1
<b>Utilities</b>										
Gross job gains	15	15	13	14	11	2.7	2.8	2.4	2.6	2.0
At expanding establishments	13	13	11	13	10	2.3	2.4	2.0	2.4	1.8
At opening establishments	2	2	2	1	1	0.4	0.4	0.4	0.2	0.2
Gross job losses	15	18	12	16	11	2.7	3.2	2.2	2.9	2.0
At contracting establishments	13	15	11	11	9	2.3	2.7	2.0	2.0	1.6
At closing establishments	2	3	1	5	2	0.4	0.5	0.2	0.9	0.4
Net employment change	0	-3	1	-2	0	0.0	-0.4	0.2	-0.3	0.0
<b>Information</b>										
Gross job gains	143	155	170	152	139	4.6	5.1	5.5	4.9	4.6
At expanding establishments	120	126	141	127	121	3.9	4.1	4.6	4.1	4.0
At opening establishments	23	29	29	25	18	0.7	1.0	0.9	0.8	0.6
Gross job losses	164	153	154	156	142	5.3	5.0	5.0	5.1	4.6
At contracting establishments	123	119	127	121	117	4.0	3.9	4.1	4.0	3.8
At closing establishments	41	34	27	35	25	1.3	1.1	0.9	1.1	0.8
Net employment change	-21	2	16	-4	-3	-0.7	0.1	0.5	-0.2	0.0
<b>Financial activities</b>										
Gross job gains	452	475	480	472	408	5.6	5.9	6.0	5.8	5.0
At expanding establishments	354	369	371	359	331	4.4	4.6	4.6	4.4	4.1
At opening establishments	98	106	109	113	77	1.2	1.3	1.4	1.4	0.9
Gross job losses	443	439	413	434	404	5.6	5.5	5.2	5.4	5.0
At contracting establishments	331	320	312	329	315	4.2	4.0	3.9	4.1	3.9
At closing establishments	112	119	101	105	89	1.4	1.5	1.3	1.3	1.1
Net employment change	9	36	67	38	4	0.0	0.4	0.8	0.4	0.0
<b>Professional and business services</b>										
Gross job gains	1,370	1,456	1,523	1,432	1,279	8.2	8.7	9.0	8.4	7.4
At expanding establishments	1,137	1,178	1,242	1,163	1,060	6.8	7.0	7.3	6.8	6.1
At opening establishments	233	278	281	269	219	1.4	1.7	1.7	1.6	1.3
Gross job losses	1,304	1,332	1,311	1,303	1,169	7.8	7.9	7.7	7.6	6.7
At contracting establishments	1,034	1,028	1,006	1,041	945	6.2	6.1	5.9	6.1	5.4
At closing establishments	270	304	305	262	224	1.6	1.8	1.8	1.5	1.3
Net employment change	66	124	212	129	110	0.4	0.8	1.3	0.8	0.7
<b>Education and health services</b>										
Gross job gains	741	800	811	766	771	4.5	4.9	4.9	4.6	4.6
At expanding establishments	623	651	677	645	659	3.8	4.0	4.1	3.9	3.9
At opening establishments	118	149	134	121	112	0.7	0.9	0.8	0.7	0.7
Gross job losses	704	701	691	699	645	4.3	4.3	4.2	4.2	3.9
At contracting establishments	570	567	556	572	529	3.5	3.5	3.4	3.4	3.2
At closing establishments	134	134	135	127	116	0.8	0.8	0.8	0.8	0.7
Net employment change	37	99	120	67	126	0.2	0.6	0.7	0.4	0.7

See footnote at end of table.

**Table 3. Private sector gross job gains and losses by industry, seasonally adjusted—Continued**

Category	Gross job gains and job losses (in thousands)					Gross job gains and losses as a percent of employment				
	3 months ended					3 months ended				
	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006
<b>Leisure and hospitality</b>										
Gross job gains	1,138	1,212	1,202	1,175	1,194	9.0	9.5	9.4	9.2	9.3
At expanding establishments	877	918	909	893	927	6.9	7.2	7.1	7.0	7.2
At opening establishments	261	294	293	282	267	2.1	2.3	2.3	2.2	2.1
Gross job losses	1,131	1,135	1,219	1,165	1,046	8.9	8.9	9.5	9.0	8.1
At contracting establishments	910	907	961	941	842	7.2	7.1	7.5	7.3	6.5
At closing establishments	221	228	258	224	204	1.7	1.8	2.0	1.7	1.6
Net employment change	7	77	-17	10	148	0.1	0.6	-0.1	0.2	1.2
<b>Other services</b>										
Gross job gains	302	309	297	289	293	7.9	8.1	7.8	7.6	7.7
At expanding establishments	241	239	234	231	240	6.3	6.3	6.1	6.1	6.3
At opening establishments	61	70	63	58	53	1.6	1.8	1.7	1.5	1.4
Gross job losses	297	300	309	296	281	7.8	7.8	8.1	7.8	7.4
At contracting establishments	231	234	238	231	217	6.1	6.1	6.2	6.1	5.7
At closing establishments	66	66	71	65	64	1.7	1.7	1.9	1.7	1.7
Net employment change	5	9	-12	-7	12	0.1	0.3	-0.3	-0.2	0.3

<sup>1</sup> Includes unclassified sector, not shown separately.

**Table 4. Private sector percentage share<sup>1</sup> of gross job gains and gross job losses, seasonally adjusted**

Category	Shares (percent)				
	3 months ended				
	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006
<b>Total Private</b>					
Gross job gains	100.0	100.0	100.0	100.0	100.0
Expanding firms	100.0	100.0	100.0	100.0	100.0
Opening firms	100.0	100.0	100.0	100.0	100.0
Gross job losses	100.0	100.0	100.0	100.0	100.0
Contracting firms	100.0	100.0	100.0	100.0	100.0
Closing firms	100.0	100.0	100.0	100.0	100.0
Net employment change	100.0	100.0	100.0	100.0	100.0
<b>Size Class 1 - 4 employees</b>					
Gross job gains	15.5	15.2	15.1	15.5	15.7
Expanding firms	7.2	7.1	6.9	7.2	7.4
Opening firms	55.5	54.9	56.3	60.0	59.4
Gross job losses	16.1	15.7	15.6	15.6	17.0
Contracting firms	8.0	7.8	7.6	8.1	8.4
Closing firms	55.1	54.7	52.9	55.9	60.0
Net employment change	2.7	9.7	10.4	14.8	5.8
<b>Size Class 5 - 9 employees</b>					
Gross job gains	12.1	11.9	11.7	11.7	12.3
Expanding firms	11.1	10.9	10.7	10.9	11.5
Opening firms	17.2	16.9	16.9	16.2	16.9
Gross job losses	12.6	12.5	12.3	12.6	13.0
Contracting firms	11.8	11.6	11.4	11.9	12.4
Closing firms	16.4	16.5	16.1	16.5	16.5
Net employment change	2.3	5.8	6.7	2.7	6.8
<b>Size Class 10 - 19 employees</b>					
Gross job gains	12.3	12.2	11.9	12.0	12.7
Expanding firms	12.4	12.3	11.9	12.2	13.0
Opening firms	11.7	11.8	11.7	10.7	11.0
Gross job losses	12.7	12.4	12.4	12.8	13.0
Contracting firms	13.0	12.7	12.6	13.0	13.4
Closing firms	11.1	11.3	11.3	11.3	10.8
Net employment change	5.0	9.9	6.8	3.7	10.2
<b>Size Class 20 - 49 employees</b>					
Gross job gains	14.4	14.5	13.9	13.9	14.9
Expanding firms	15.5	15.6	14.9	15.1	16.3
Opening firms	8.9	9.2	8.9	7.9	7.7
Gross job losses	14.5	14.2	14.5	14.7	14.4
Contracting firms	15.8	15.3	15.7	15.9	15.8
Closing firms	8.7	8.8	9.1	8.4	7.7
Net employment change	11.1	17.8	8.3	5.8	18.9
<b>Size Class 50 - 99 employees</b>					
Gross job gains	8.9	9.1	8.7	8.7	9.3
Expanding firms	10.0	10.3	9.7	9.7	10.6
Opening firms	3.4	3.5	3.3	3.0	2.5
Gross job losses	8.8	8.6	9.0	9.1	8.7
Contracting firms	9.9	9.7	10.1	10.2	9.9
Closing firms	3.6	3.6	3.7	3.1	2.8
Net employment change	10.4	14.8	5.4	4.2	13.8
<b>Size Class 100 - 249 employees</b>					
Gross job gains	9.5	9.8	9.3	9.1	9.7
Expanding firms	11.1	11.3	10.7	10.5	11.2
Opening firms	2.1	2.3	2.0	1.5	1.3
Gross job losses	9.1	9.2	9.6	9.6	8.8
Contracting firms	10.5	10.5	11.1	10.9	10.2
Closing firms	2.8	2.6	2.5	2.2	1.5
Net employment change	17.1	16.8	6.5	3.9	16.6

See footnote at end of table.



**Table 4. Private sector percentage share<sup>1</sup> of gross job gains and gross job losses, seasonally adjusted--Continued**

Category	Shares (percent)				
	3 months ended				
	Mar. 2005	June 2005	Sept. 2005	Dec. 2005	Mar. 2006
<b>Size Class 250 - 499 employees</b>					
Gross job gains	5.7	5.9	5.8	5.5	5.7
Expanding firms	6.8	6.9	6.8	6.4	6.7
Opening firms	0.7	0.8	0.6	0.4	0.4
Gross job losses	5.5	5.4	5.6	5.7	5.1
Contracting firms	6.3	6.3	6.5	6.6	6.0
Closing firms	1.2	1.0	1.0	0.9	0.4
Net employment change	12.1	10.9	7.7	3.4	10.4
<b>Size Class 500 - 999 employees</b>					
Gross job gains	4.6	4.9	4.8	4.5	4.5
Expanding firms	5.5	5.8	5.7	5.3	5.3
Opening firms	0.4	0.3	0.3	0.2	0.3
Gross job losses	4.5	4.6	4.4	4.7	3.9
Contracting firms	5.2	5.4	5.2	5.5	4.6
Closing firms	0.7	0.7	0.8	0.7	0.2
Net employment change	7.4	8.1	8.3	2.1	9.6
<b>Size Class 1,000 or more employees</b>					
Gross job gains	17.0	16.5	19.0	19.1	15.2
Expanding firms	20.5	19.8	22.7	22.7	18.0
Opening firms	0.2	0.2	0.0	0.1	0.5
Gross job losses	16.2	17.4	16.7	15.2	16.1
Contracting firms	19.5	20.7	19.7	17.9	19.3
Closing firms	0.4	0.8	2.5	1.0	0.1
Net employment change	31.9	6.2	39.8	59.4	7.9

<sup>1</sup> Share measures the percent of the category represented by each firm size class.